

Message Text

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PAGE 01 PARIS 08825 141314Z
ACTION EB-08

INFO OCT-01 AF-10 ARA-10 EUR-12 EA-10 IO-13 ISO-00
INT-05 GSA-02 DODE-00 AID-05 CEA-01 CIAE-00
COME-00 FRB-03 INR-10 NSAE-00 SP-02 STR-07
TRSE-00 LAB-04 SIL-01 OMB-01 SS-15 L-03 NEA-10
H-01 PA-01 /135 W
-----101069 142203Z /41

R 141303Z MAR 78
FM AMEMBASSY PARIS
TO SECSTATE WASHDC 8593
INFO AMEMBASSY OTTAWA
AMEMBASSY SANTIAGO
AMEMBASSY LIMA
AMEMBASSY LONDON
AMEMBASSY BELGRADE
AMEMBASSY MEXICO
AMEMBASSY KINSHASA
AMEMBASSY LUSAKA
AMEMBASSY OSLO
AMEMBASSY HELSINKI
AMEMBASSY ROME
AMEMBASSY CANBERRA
AMEMBASSY BRUSSELS
AMEMBASSY BONN
AMEMBASSY PRETORIA
AMEMBASSY THE HAGUE
AMEMBASSY MADRID
AMEMBASSY STOCKHOLM
AMEMBASSY MANILA
AMEMBASSY JAKARTA
AMEMBASSY TOKYO
USMISSION GENEVA

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USEEC ALSO FOR EMBASSY

E.O. 11652: N/A
TAGS: EMIN ITC GSA ETRO CIPEC
SUBJECT: GSA TIN DISPOSAL AND COPPER ACQUISITION

REF: A) STATE 058800 B) PARIS 08125 C) LONDON 03957

1. INFORMATION ON UDALL-DECONCINI BILL WAS PASSED TO JEAN-PAUL VAUTREY AT GOF MINISTRY OF INDUSTRY AND ALSO TO CIPEC SECRETARY GENERAL GUERONIK ON MARCH 8. ON MARCH 13, LATTER INFORMED US THAT ALL CIPEC GOVERNMENTS HAD BEEN NOTIFIED ON BASIS OF EMBASSY NONPAPER (DRAWN FROM REF. A) WHICH WE HAD GIVEN HIM.

2. GUERONIK AND VAUTREY REACTED POSITIVELY TO THE NEWS. GUERONIK CONCENTRATED ON THE BENEFICIAL PSYCHOLOGICAL IMPACT THAT THE U.S. ACTION WOULD HAVE UPON THE DE-PRESSED COPPER INDUSTRY, WHILE VAUTREY SEEMED MORE INTERESTED IN THE POSSIBILITY OF LOWER TIN PRICES.

3. BEYOND THE IMMEDIATE PSYCHOLOGICAL BOOST, GUERONIK NOTED THAT FINAL CONGRESSIONAL APPROVAL WAS STILL PENDING AND THAT EVEN WHEN THIS HAS BEEN GIVEN, THE LONG TERM EFFECTS ON THE COPPER AND TIN MARKETS WILL BE DIFFICULT TO GAUGE. HE ASKED IF GSA COPPER PURCHASES WOULD COME EXCLUSIVELY FROM U.S. SOURCES. WE REPLIED OUR INFORMATION ON THE UDALL-DECONCINI BILL DID NOT SPECIFY ANY ONE TYPE OF SOURCE FOR THESE ACQUISITIONS. GUERONIK THEN SAID THAT, WHETHER OR NOT FOREIGN SOURCES WERE ALSO USED, THE ACTION ENVISIONED SUPPORTED COPPER PRODUCERS EVERYWHERE AND COULD NOT BUT HELP CIPEC ARGUE ITS CASE AGAINST THE NEED FOR IMPORT QUOTAS TO PROVIDE LIMITED OFFICIAL USE

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ADDITIONAL PROTECTION FOR U.S. PRODUCERS (REF. B). THE BILL WOULD BUOY THE MARKET JUST AT A TIME WHEN THE USITC SECTION 201 INVESTIGATION WAS GETTING UNDERWAY, HE ADDED. WE DECLINED TO SPECULATE ON THIS, BUT AGREED THAT THE COPPER MARKET WAS SURE TO GET A HEALTHY PSYCHOLOGICAL UPLIFT FROM NEWS OF THE UDALL-DECONCINI BILL. WE NOTED, HOWEVER, THAT IT DOES NOT SPECIFY A LIMITED TIME PERIOD FOR THE CONTEMPLATED TIN DISPOSALS AND COPPER ACQUISITIONS.

4. VAUTREY WAS EQUALLY INTERESTED IN THE ADMINISTRATION'S BILL FOR THE TRANSFER OF SURPLUS GSA TIN TO THE ITC BUFFER STOCK, AND WAS PLEASED TO LEARN OF ITS APPROVAL BY THE HIRC'S TRADE POLICY AND FINANCE SUBCOMMITTEE. HE ALSO SAID THAT HE THOUGHT IT WAS TOO SOON TO SPECULATE UPON JUST WHAT THE UDALL-DECONCINI BILL'S LONG-TERM IMPACT ON THE TIN AND COPPER MARKETS WOULD BE. NEVERTHELESS, HE CONCLUDED THAT THAT BILL COMBINED WITH THE GSA TIN SALE TO THE ITC SHOULD DEFINITELY BRING SOME NEEDED PRICE RELIEF TO TIN CONSUMERS. HARTMAN

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: COPPER, ACQUISITION, TIN, STOCKPILES
Control Number: n/a
Copy: SINGLE
Draft Date: 14 mar 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978PARIS08825
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780113-1226
Format: TEL
From: PARIS
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780371/aaaachzf.tel
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Litigation Codes:
Litigation History:
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Reference: 78 STATE 58800, 78 PARIS 8125, 78 LONDON 3957
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